

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF SOUTH CAROLINA

FILED

IN RE: )  
 )  
Mayfair Mills, Inc. )  
 )  
Debtor. )  
\_\_\_\_\_ )

Chapter 11  
Case No. 01-08491-W  
DISTRICT OF SOUTH CAROLINA  
01 NOV 16 PM 2:08

TO: ALL CREDITORS AND PARTIES IN INTEREST

**NOTICE AND APPLICATION FOR SALE OF PROPERTY FREE AND CLEAR OF  
LIENS, ENCUMBRANCES AND OTHER INTERESTS  
PURSUANT TO 11 U.S.C. §363(b)(1) and (f)**

YOU ARE HEREBY NOTIFIED that the Debtor seeks court authorization to sell certain assets free and clear of all liens, encumbrances, and interests in accordance with 11 U.S.C. §363(b)(1) and (f) ("Sale Motion"). A copy of the Sale Motion and Agreement to Buy and Sell are attached.

TAKE FURTHER NOTICE that any response, return and/or objection to the notice and motion should be filed with the Clerk of the Bankruptcy Court at Post Office Box 1448, Columbia, South Carolina 29202, no later than **twenty (20) days from service\*** of this Notice and a copy simultaneously served on all parties in interest. A copy of the objection should also be served on the United States Trustee, 1201 Main Street, Suite 2440, Columbia, South Carolina 29201.

TAKE FURTHER NOTICE that the Court will conduct a hearing on **December 13, 2001, at 10:30 a.m., at the Donald Stuart Russell Federal Courthouse, 201 Magnolia Street, Spartanburg, South Carolina.** No further notice of this hearing will be given

TYPE OF SALE: Public.

PROPERTY TO BE SOLD: 8.74 acres of unimproved real estate located at 2105 Hayne Street, Arcadia, South Carolina 29320. Spartanburg County tax map number: 6-17-07-09.

SALES PRICE: \$174,800. Please see the attached Agreement to Buy and Sell ("Agreement") for specific details of the sale.

APPRAISED VALUE: \$210,000 as per September 5, 2000, appraisal performed by Marion R. Griffin & Co., Inc.

BUYER: Friendship Baptist Church (the "Buyer"), located at 1498 W.O. Ezell Blvd, Spartanburg, South Carolina 29301. The Buyer has no connection with the Debtor.

PLACE AND TIME OF SALE: Closing will take place at a location mutually desirable by the Debtor and Buyer. The Agreement provides for a closing date of October 31, 2001. However, Buyer has agreed to a closing date after the December 13, 2001, hearing.

SALES AGENT/AUCTIONEER/BROKER: Coldwell Banker Caine Real Estate Commercial<sup>1</sup>, 901 South Pine Street, Spartanburg, South Carolina 29302, is the Debtor's real estate agent. Lewers Realty,

<sup>1</sup> Debtor is in the process of obtaining court approval of this realtor.

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2315 Reidville Road, Spartanburg, South Carolina, 29301.

COMPENSATION TO SALES AGENT/AUCTIONEER/BROKER: 10%, or \$17,480.00, with 5% paid to Coldwell Banker and 5% to Lewers Realty.

ESTIMATED TRUSTEE'S COMMISSION ON SALE: N/A

LIENS/MORTGAGES/SECURITY INTERESTS ENCUMBERING PROPERTY: Wachovia Bank is owed approximately \$20,000,000 and has lien on all the assets at issue in this application.

DEBTOR'S EXEMPTION: None.

PROCEEDS ESTIMATED TO BE PAID TO ESTATE: After the deduction of the real estate commission, in the amount of \$17,480, and the real estate taxes, in the approximate amount of \$2,533.82, the estate will receive \$154,786.18. Wachovia Bank's lien will attach to the net proceeds of the sale which will be distributed by priority according to the Bankruptcy Code. The unsecured creditor's carve-out has been fully funded as per previous orders of the court.

The court may consider additional offers at the hearing held on this notice and application for sale. The court may order at any hearing that the property be sold to another party on equivalent or more favorable terms.

The Debtor may seek appropriate sanctions or other similar relief against any party filing a spurious objection to this notice.

SERVICE DATE: 11/15/01

ROBINSON, BARTON, MCCARTHY  
& CALLOWAY, P. A.

BY: 

G. William McCarthy, Jr., I.D.#2762  
Nancy E. Johnson, I.D.#6909  
Attorneys for the Debtor  
1715 Pickens Street  
P. O. Box 12287  
Columbia, SC 29211  
(803) 256-6400

Address of Court  
J. Bratton Davis United States Bankruptcy Courthouse  
P.O. Box 1448  
Columbia, SC 29202

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF SOUTH CAROLINA

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01 NOV 16 PM 2:08

IN RE:

Mayfair Mills, Inc.,

Debtor.

Chapter 11

C/A No.01-08491-W

DISTRICT OF SOUTH CAROLINA

**DEBTOR'S MOTION TO APPROVE SALE OF ASSETS OF THE DEBTOR FREE AND  
CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS**

Mayfair Mills, Inc. ("Debtor") hereby moves the Court for the entry of an order authorizing the Debtor to sell certain assets of the Debtor to Friendship Baptist Church ("Buyer"), with such sale being free and clear of all liens, claims, encumbrances, and other interests, pursuant to §§ 105 and 363 of Chapter 11 of Title 11 of the United States Code ("Motion"). In support of the Motion, the Debtor represents as follows:

1. On August 14, 2001, the Debtor filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code. The Debtor is operating its business and managing its property as a debtor-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

2. The Debtor is a South Carolina corporation which manufactures textile goods and is located in Arcadia, South Carolina. The Debtor runs its business from numerous textile plants throughout South Carolina.

3. On or about August 6, 2001, the Buyer entered into an agreement with the Debtor for the purchase of 8.74 acres of unimproved real estate for \$174,800. A copy of the Agreement to Buy and Sell ("Agreement") is attached hereto as Exhibit A and incorporated herein by reference.

4. The Agreement was entered into pre-petition. Debtor is in the process of liquidating its assets, and this Court has previously entered orders authorizing the sale of various assets of the Debtor. Debtor believes that the sale to Buyer is in the best interest of the estate and its creditors.

5. Section 363(b) of the Code authorizes the Debtor to sell property of the estate outside the ordinary course of business after notice and a hearing. Such property can be sold free and clear of any interest in the property if each party holding such an interest consents. 11 U.S.C. 363(f). Sales of property under 11 U.S.C. §363(f) are limited to sales of property of the estate. In re Taylor, 198 B.R. 142, 158 (Bankr. D.S.C. 1996); In re Charles F. Hudson, d/b/a Hudson Metal Works, 94-73924-W (Bankr. D.S.C. January 10, 1997) (unpub). In re BHB Enterprises, LLC, dba Tycoon's Gallery of Games, 97-

01975-W (Bankr. D.S.C. September 30, 1997) (unpub). In the present case, Debtor is proposing to sell real property which is property of the estate.

6. Wachovia Bank and Trust Company ("Wachovia") has a valid, properly perfected security interest in or lien against the property to be transferred to the Buyer. Debtor is informed and believes that Wachovia supports the proposed sale. Furthermore, Wachovia's lien would attach to the net sale proceeds.

7. Debtor seeks the Court's authorization to sell the property outside the ordinary course of business, prior to a hearing on confirmation of its plan of reorganization. Although sales are usually proposed and conducted pursuant to a plan of reorganization, this Court has recognized that when a sound business justification exists, the Court may authorize a sale pursuant to 11 U.S.C. §363(b)(1) without a confirmed plan of reorganization. In re Taylor, 198 B.R. at 156-57; see also Stephens Indus., Inc. v. McClung, 789 F.2d 386 (6th Cir. 1986); In re WBQ Partnership, 189 B.R. 97 (Bankr. E.D. Va. 1995).

Under the sound business purpose test, the Debtor has the burden of proving that:

- A. sound business reason or emergency justifies a pre-confirmation sale;
- B. the sale has been proposed in good faith;
- C. adequate and reasonable notice of the sale has been provided to interested parties; and
- D. the purchase price is fair and reasonable.

In re Taylor, 198 B.R. at 157.

A. Sound Business Reason or Emergency

In the present case, both sound business reason and an emergency situation warrant sale of the Debtor's property prior to confirmation of a plan of reorganization. Debtor entered into the Agreement prior to filing its Chapter 11 petition. The Buyer originally set September 18, 2001, as the closing date. Because of the Debtor's urgency in obtaining Court approval of other, much larger sales, the Debtor obtained consent from the Buyer to extend the closing date until October 31, 2001. The Buyer has agreed in writing to extend the closing date until after the hearing on this Motion. If the Debtor must wait until confirmation of a plan of reorganization to sell the property at issue, Debtor is fearful that Buyer, which has extended the closing date twice, will not go forward with the sale.

B. Good Faith

The Debtor believes the terms and conditions of the proposed sale are fair, reasonable and appropriate and were reached after arms-length negotiations. The Debtor believes, and will further show at the hearing on this Motion, that both the Debtor and the Buyer are proceeding in good faith. As such,

the Buyer is further seeking the protections afforded to sale transactions under Section 363(m) of the Bankruptcy Code.

C. Notice

All creditors and parties in interest will be served a copy of this Motion and the notice of hearing, which sets forth a time period for objections. Based upon the foregoing, Debtor believes that notice is adequate and reasonable.

D. Purchase Price.

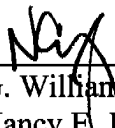
The purchase price to be paid by the Buyer pursuant to Agreement represents the highest or otherwise best offer that has been received for the property. The Debtor submits to the Court that the purchase price for the property is reasonable and fair and currently represents the highest and best recovery for the Debtor and its creditors. Based upon the foregoing, Debtor believes that the Proposed Sale is in the best interests of the estate and its creditors.

8. Federal Rule of Bankruptcy Procedure 6004(g) provides that an order authorizing the use, sale or lease of property will be stayed for ten (10) days after entry of the approved order unless the Court orders otherwise. The Debtor requests that the Court Order direct that the order approving this Motion shall not be automatically stayed for ten (10) days.

9. Wachovia Bank shall retain its lien on the net proceeds and creditors will be paid in order of priority accordance with the Bankruptcy Code.

WHEREFORE, the Debtor respectfully requests that the Court to enter an order authorizing the Debtor to sell its property to the Buyer, as described herein, free and clear of liens, claims, encumbrances or other interests and for such other and further relief as the Court deems proper.

RESPECTFULLY SUBMITTED on this the 15<sup>th</sup> day of November 2001, at Columbia, South Carolina.

  
\_\_\_\_\_  
G. William McCarthy, Jr., District Court I.D. #2762  
Nancy E. Johnson, District Court I.D. #6909  
ROBINSON, BARTON, MCCARTHY  
& CALLOWAY, P.A.  
Attorneys for the Debtor  
P.O. Box 12287  
Columbia, SC 29211-2287  
(803) 256-6400

**COLDWELL  
BANKER****CLEAN COPY UNSIGNED**  
**Coldwell Banker Caine Real Estate**901 South Pine Street • Spartanburg, SC 29302  
Phone: (864) 585 - 8713 • Fax: (864) 591 - 57612153 East Main Street • Duncan, SC 29334  
Phone: (864) 433 - 8848 • Fax: (864) 433 - 8942**AGREEMENT TO BUY AND SELL**

1. **DATE AND PARTIES:** This agreement made this 6th day of August, 20 01  
by Purchaser(s) Friendship Baptist Church  
and Seller(s), Owner of Record
2. **OFFER AND DESCRIPTION:** Purchaser agrees to buy and Seller agrees to sell all that lot or parcel of land, with the buildings and improvements thereon and fixtures therein, if any, situated in Spartanburg County, State of South Carolina, and being described as follows, S. Side Rd. 78 W. Side Morning Drive, Spartanburg  
Block Map Ref. # 6-17-07-093.00
3. **PRICE:** The purchase price is \$ \$174,800 To be paid as follows:  
☐ Cash ☒ Check ☐ Herewith \$ 2,000.00 ☐ AND/OR \$ \_\_\_\_\_ due on or before \_\_\_\_\_ which shall be held in trust escrow account by Lewers Realty as a deposit of earnest money, and the balance in cash and/or financing upon delivery of a deed as herein provided.
4. **FINANCING:** ☒ Conventional ☐ F.H.A. ☐ J.V.A. ☐ Seller ☐ Assumption ☐ Cash ☐ Other \_\_\_\_\_  
Loan to be obtained in the amount of \$ 100,000 This property must appraise for at least the sale price.
5. **CONTINGENCIES:** This sale is contingent upon Purchaser's ability to obtain financing as herein stated, and also:  
☐ Purchaser completing sale and closing of Purchaser's home located at \_\_\_\_\_  
☐ House is under contract and due to close on or before \_\_\_\_\_  
☒ House is not under contract (Is SCAR Form 504 Addendum regarding this contingency being used? ☐ No ☐ Yes (attached) (Is SCAR Form 505 to be used for notice regarding this contingency? ☐ No ☐ Yes) ☒ Other: Soil testing suited for church construction & meeting zoning requirements
6. **CLOSING COST:** If loan is obtained purchaser shall pay all allowable non-recurring closing costs and purchaser shall pay all allowable recurring closing costs. Discount points will be paid by NA not to exceed \_\_\_\_\_ %.  
OTHER: \_\_\_\_\_
7. **LOAN PROCESSING:** It is understood that the Purchaser will advance in addition to the earnest money deposit, the necessary money to process this loan. Purchaser also agrees to apply for financing as called for above, from the institution of his/her choice, within 5 business days from the execution of this contract and provide all documents or information requested by the lending company in a prompt and timely manner. If the Purchaser's bona fide application to two lending institutions for such loan shall be rejected, the Purchaser shall, for the purpose of this contract, be deemed unable to obtain such commitment.
8. **FHA/VA ADDENDUM:** If either FHA or VA financing is to be obtained, an additional addendum will be signed by Purchaser and Seller and shall become a part of this contract.
9. **FIXTURES AND PERSONAL PROPERTY:** This sale includes all improvements, fixtures and appurtenances as described and stated in MLS # 99856. Book dated \_\_\_\_\_, Issue # \_\_\_\_\_, OR "Full Detail" printed from the MLS computer system dated \_\_\_\_\_, (attached herewith and made a part of this agreement) which are to remain and be considered part of this sale. (Indicate any changes here.)
10. **ADJUSTMENTS:** Taxes, water, cable, sewer charges, fuel oil, power, rents when collected, deposits, homeowner's association fees and other assessments shall be adjusted as of the date of closing. Tax proration pursuant to this contract shall be based on the taxes of record as of the date of closing and are, therefore prorated on that basis. Apportionment shall be computed by the day. The Purchaser will be responsible for applying for any applicable tax exemptions.
11. **FIRE OR CASUALTY:** In case the property herein referred to is destroyed wholly or partially by fire or other casualty prior to delivery of deed, the Purchaser or Seller shall have the option for 10 days thereafter of proceeding hereunder, or of terminating this agreement.
12. **NON-RESIDENT TAX:** Seller covenants and agrees to comply with the provisions of the South Carolina Code Section 12-8-560 (as amended) regarding withholding requirements of sellers who are not residents of South Carolina as defined in the said statute.
13. **BINDING CONTRACT:** This contract shall be binding on both parties, their principals, heirs, personal representatives, successors and assigns as State law permits.
14. **DEFAULT:** If the Purchaser shall default under this agreement, the Seller shall have the option of suing for specific performance, or damages, including but not limited to reasonable attorney's fees, or rescinding this contract. In the event the contract is rescinded, one half of the earnest money deposit shall then be paid to the Broker(s). (not to exceed the original commission due), and the remaining balance of earnest money shall be paid to the Seller. Upon default by the Seller, the Purchaser shall have the option of suing for specific performance, or damages, or rescinding this contract. If the Purchaser elects to rescind this contract, he will be refunded all sums paid hereunder and in addition, shall be reimbursed by the Seller for actual costs incurred. Actual costs incurred shall include all cost and expenses incurred or obligated for by Purchaser, Seller or Broker in an effort to consummate this sale. Such costs shall include, but not be limited to cost of credit report, appraisal, survey, inspections and reports, title examination and Broker's fee or commission for the sale. If this contract is rescinded, both parties shall execute a written release of the other from this contract, and both parties shall agree to hold the Broker(s) harmless. If either party refuses to execute a release, Escrow Agent will hold earnest money in trust until said releases are executed or until the court orders legal disposition, or the statute of limitations terminates the parties' cause of action.

Seller's initial(s): XPurchaser's initial(s): X

Amend day of closing October 31, 2001

15. **EFFECT OF CONTRACT:** The parties hereto further agree that this written contract along with any duly executed addenda expresses the entire agreement between the parties, and that there is no other agreement, oral or otherwise, modifying the terms hereof.
16. **EARNEST MONEY:** Escrow Agent does not guarantee payment of check, or checks accepted as earnest money. If any contingency of this contract cannot be satisfied by no fault of the Purchaser, and upon proper written release, the earnest money will be refunded within 10 banking days.
17. **INSURANCE, SURVEY, TITLE AND HOME INSPECTION:** Listing and selling Broker(s) recommend that Purchaser (1) Furnish a hazard insurance policy from a company of his/her choice at closing, (2) Have a survey of the subject property, (3) Have an Attorney of his/her choice examine and certify the title, (4) Obtain a home inspection.
18. **CONDITION OF PROPERTY:** The property is being sold in "as is" condition with the following stipulations:
- All heating and air conditioning (if applicable) electrical and plumbing systems and all appliances shall be operative and functioning properly at time of closing or the day of possession whichever occurs first.
  - Seller represents that the herein property referred to is connected to [ ] Public Sewer System, [ ] Septic Tank, and [ ] Public Water, or [ ] Well.
  - Until possession is delivered, the Seller agrees to maintain the heating/air conditioning, electrical, plumbing, sewer appliance systems in working order and to keep roof water tight, maintain grounds, driveways and fencing in same condition as of the date of contract, normal wear and tear excepted.
  - If lender's commitment requires any additional inspections or certifications not herein stated, these are to be paid by the Purchaser.
  - Except as to a new home where the builder's warranty applies, Purchaser acknowledges the Seller gives no warranty of any kind, expressed or implied.
19. **WOOD INFESTATION REPORT:** The [ ] Purchaser [ ] Seller shall obtain and furnish a current Official South Carolina Wood Infestation Report (Form CL-100) from a licensed Pest Control Operator, issued 45 days or less prior to closing, to be paid for by [ ] Purchaser [ ] Seller, certifying that the main structure shall be free and clear of infestation of termites and wood destroying insects and that the crawl space is free of excessive moisture conditions and active wood destroying fungi. Any infestation or structural damage caused by termites or other wood destroying insects and fungi determined by the licensed Pest Control Operator or a qualified licensed building expert shall be corrected prior to closing by the Seller for costs not to exceed 1% of the purchase price. Should the costs exceed that amount and should the Seller fail or refuse to pay for such repairs and treatment in excess of 1%, the Purchaser has the option to: (1) Accept the property in its present condition; (2) Negotiate with the Seller for the payment of the repairs and treatment; (3) Declare the contract null and void and have the earnest deposit refunded in full. (Note: reporting of fungi damage to wood commonly called water damage, decay or rot, is limited to the crawl space area of the structure). This report does not include any obstructed or inaccessible areas.

20. **BROKERS:**

Listing Agency in this transaction is Coldwell Banker Caine Agent Jack Newton  
 Selling Agency in this transaction is Lewers Realty Agent Carl Lewers  
 Selling Agent in this transaction represents the [ ☒ ] Purchaser, [ ] Seller, [ ] both Purchaser and Seller.

21. **TIME IS OF THE ESSENCE:** The offer from the Purchaser shall be withdrawn at 2:00 (am/pm) on the 10 day of August 2001, unless accepted by the Seller in written form and communicated by the Listing Broker to the Selling Broker prior to such time. Communication of written acceptance may be written or verbal.
- a) **Counteroffer:** If counteroffer is made by the Seller, the counteroffer from the Seller shall be withdrawn at \_\_\_\_\_ (am/pm) on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, unless accepted by the Purchaser in written form and communicated by the Selling Broker to the Listing Broker prior to such time. Communication of written acceptance may be written or verbal.

22. **CONVEYANCE AND DATE OF CLOSING:** Seller agrees to convey by insurable marketable title and deliver a proper statutory warranty deed free of encumbrances, except as herein stated, and to pay the deed recording fee (replaces prior documentary deed stamps). The deed shall be prepared in the name of Friendship Baptist Church and delivered at the offices of the closing attorney or stipulated place of closing and transaction closed on or before the 31 day of October, 2001.

**POSSESSION:** Possession of said premises will be given Purchaser on day of closing, 20\_\_\_\_.

23. **EXTENSION AGREEMENT:** If the sale has not closed within the stipulated time limit of this contract because a contingency has not been satisfied through the fault of neither party, then both parties agree to extend said contract for a period not to exceed 15 business days from the date designated for original closing. Closing of the sale shall be within 7 business days after removal of all contingencies within the extension period, but in no event later than the above extension date, time being of the essence.
24. **HOME & ENVIRONMENTAL INSPECTIONS & SELLER'S PROPERTY DISCLOSURE:** Listing and Selling Broker(s) recommend that the Purchaser obtain a home inspection. The Purchaser, at the Purchaser's expense, has the privilege and responsibility to review the Seller's property disclosure, verify the square footage, and to have the house inspected by a home inspector or other qualified professional, including a professional qualified to inspect for environmental concerns. Environmental inspection includes but is not limited to contamination above or below ground by hazardous wastes or chemicals, asbestos, radon gas, chemical storage tanks or any portions of property considered wetlands. The cost of any measures to correct environmental concerns found that are in excess of EPA standards AND the cost of any home repairs will be paid by the Seller at his option. Should the Seller fail to or refuse to pay for such measures and repairs, the Purchaser has the option to: (1) Accept the property in its present condition; (2) Negotiate with the Seller for the payment of such measures and repairs; (3) Declare this contract null and void and have the earnest deposit refunded in full. It is understood and agreed that these terms are in addition to paragraph 18 to this Agreement to Buy and Sell and are not intended to void that provision.

## Par 24A

**REVIEW OF THE SELLER'S PROPERTY DISCLOSURE AND INSPECTIONS TO BE COMPLETED, REPORTS DELIVERED AND PURCHASER(S) DECISION DELIVERED TO SELLER OR SELLER'S AGENT IN WRITING WITHIN 10 BUSINESS DAYS OR \_\_\_\_\_ BUSINESS DAYS OF ACCEPTED CONTRACT. FAILURE OF THE PURCHASER EITHER TO NOTIFY SELLER IN WRITING OR TO PROVIDE A COPY OF ANY INSPECTION WITHIN THE SPECIFIED TIME SHALL BE DEEMED A WAIVER OF PURCHASER'S INSPECTION AND REPAIR RIGHTS. TIME BEING OF THE ESSENCE.**

25. **HOME WARRANTY:** It is understood that a third party home warranty [ ] will [ ] will not be provided at closing. If applicable, the cost will be paid at closing by [ ] Purchaser [ ] Seller and provided through NA Warranty Company at a cost not to exceed \$ \_\_\_\_\_. No additional home warranty will be provided if one is currently offered by the Seller. All parties understand that one or both of the real estate brokers involved in the transaction, may receive compensation from the Home Warranty Company.

26. **FACSIMILE:** The Purchaser and Seller agree that the receipt of a signed contract by telecopy (FAX) will be the same as receipt of an original signed contract.

Seller's Initial(s): X

Purchaser's Initial(s): X

**27. LEAD-BASED PAINT DISCLOSURE:** (See Lead-Based Paint Disclosure Addendum attached.) For residential property built before 1978, this contract is contingent upon a risk assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards at the Purchaser's expense until midnight on the tenth business day after ratification (insert date 10 days after contract ratification or a date mutually agreed upon) NA. (Insert lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet "Protect Your Family From Lead in Your Home" for more information). This contingency will terminate at the above predetermined deadline unless the Purchaser (or Selling Broker) delivers to the Seller (or Listing Broker) a written contract addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report. The Seller may, at the Seller's option within NA business days after delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Purchaser with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Purchaser shall have NA business days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Purchaser shall be returned to Purchaser and neither party shall have any further rights hereunder. The Purchaser may remove this contingency at any time without cause.

**28. MEGAN'S LAW:** The Purchaser agrees that the Listing and Selling Broker and all affiliated agents shall not be responsible for obtaining or disclosing any information contained in the official South Carolina Sex Offender Registry. The Purchaser understands that no course of action may be brought against the Listing and Selling Broker or his affiliates for failing to obtain and disclose information contained in the official South Carolina Sex Offender Registry. The Purchaser understands and agrees that the Purchaser shall be responsible for obtaining any such information. The Purchaser understands that Sex Offender Registry information may be obtained from the local Sheriff's Department or other appropriate law enforcement officials.

**29. MEDIATION CLAUSE:** Any dispute or claim arising out of or related to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS®. Disputes shall include representations made by the Purchaser(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and/or fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding. This mediation clause shall survive for a period of 120 days after the date of closing.

The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; or (d) any matter which is within the jurisdiction of a probate court. The filing of a judicial action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.

**30. DISCLAIMER:** IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT NEITHER THE LISTING NOR SELLING BROKERS, IN THEIR CAPACITIES AS BROKERS, MAKE ANY WARRANTY AS TO THE FITNESS OR MERCHANTABILITY FOR A PARTICULAR PURPOSE AS SAME APPLIES TO THE SUBJECT PROPERTY WITH IMPROVEMENTS THEREON AND ANY IMPLIED WARRANTY RELATING THERETO IS HEREBY EXPRESSLY DISCLAIMED BY LISTING AND SELLING BROKERS. IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT BROKER(S) AND/OR AGENT(S) MAKE NO WARRANTY AS TO THE TITLE OF THE SUBJECT PROPERTY, THE CONDITION OF THE HOUSE OR ANY IMPROVEMENTS SITUATE UPON THE PROPERTY INCLUDING BUT NOT LIMITED TO TERMITE DAMAGE, FURNACE AND/OR AIR CONDITIONING UNITS, NOR THE ACCURACY OR COMPLETENESS OF INSPECTION OR CERTIFICATIONS PERFORMED BY OTHER COMPANIES, OR MATTERS WHICH WOULD BE REFLECTED IN A CURRENT SURVEY OF THE SUBJECT PROPERTY AND MAKES NO WARRANTY AS TO THE ACCURACY OF PUBLISHED SQUARE FOOTAGE.

**31. SPECIAL STIPULATIONS:** These stipulations shall preempt printed matter herein: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**32. LEGALLY BINDING CONTRACT:** This is a legally binding contract, if not understood, seek further advice. Signatures signify acceptance of all terms and conditions stated on each page.

**33. BUSINESS DAYS:** Business days for the purpose of this Agreement shall be Monday through Friday.

Signed, Sealed and Delivered in the Presence of:

_____ Witness to Purchaser	_____ Date	<u>X</u> _____ Purchaser	_____ S.S. #
_____ Witness to Purchaser	_____ Date	<u>X</u> _____ Purchaser	_____ S.S. #
_____ Witness to Seller	_____ Date	<u>X</u> _____ Seller	_____ S.S. #
_____ Witness to Seller	_____ Date	<u>X</u> _____ Seller	_____ S.S. #

*This is a standard contract form approved for use by members of the Spartanburg Board of REALTORS®, Inc.*



22. **LEAD-BASED PAINT DISCLOSURE:** (See Lead-Based Paint Disclosure Addendum attached.) For residential property built before 1978, the contract acknowledges upon a full assessment or inspection of the property for the presence of lead-based paint under lead-based paint hazards at the Purchaser's expense and responsibility on the work business day after notification (short date 10 days after contract negotiation or a date mutually agreed upon) in your home for more information. This contingency will terminate at the above stipulated deadline unless the Purchaser (or Selling Broker) delivers to the Seller (or Listing Broker) a written contract addendum listing the specific existing conditions and corrections needed, together with a copy of the inspection and/or test assessment report. The Seller may, at the Seller's option within \_\_\_\_\_ business days after delivery of the addendum, elect in writing whether to correct the condition(s) prior to settlement. If the Seller will correct the condition, the Seller shall furnish the Purchaser with certification from a risk assessor or inspector demonstrating that the condition has been remediated before the date of the settlement. If the Seller does not elect to make the repairs or if the Seller makes a counter-offer, the Purchaser shall have \_\_\_\_\_ business days to respond to the counter-offer or remove this contingency and take the property in "as-is" condition or this contract shall become void. Upon such termination, the earnest money deposit of Purchaser shall be returned to Purchaser and neither party shall have any further rights hereunder. The Purchaser may remove this contingency at any time without cause.

23. **SEAMAN'S LAW:** The Purchaser agrees that the Listing and Selling Broker and all affiliated agents shall not be responsible for obtaining or disclosing any information contained in the official South Carolina Sex Offender Registry. The Purchaser understands that no cause of action may be brought against the Listing and Selling Broker or his affiliates for failing to obtain and disclose information contained in the official South Carolina Sex Offender Registry. The Purchaser understands and agrees that the Purchaser shall be responsible for obtaining any such information. The Purchaser understands that Sex Offender Registry information may be obtained from the local Sheriff's Department or other appropriate law enforcement officials.

24. **MEDIATION CLAUSE:** Any dispute or claim arising out of or related to this Agreement, the breach of this Agreement or the services provided in relation to this Agreement, shall be submitted to mediation in accordance with the Rules and Procedures of the Dispute Resolution System of the NATIONAL ASSOCIATION OF REALTORS. Disputes shall include representations made by the Purchaser(s), Seller(s) or any real estate broker or other person or entity in connection with the sale, purchase, financing, condition or other aspect of the property to which this Agreement pertains, including without limitation allegations of concealment, misrepresentation, negligence and fraud. Any agreement signed by the parties pursuant to the mediation conference shall be binding. This mediation clause shall survive for a period of 120 days after the date of closing.

The following matters are excluded from mediation hereunder: (a) judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or land contract; (b) an unlawful detainer action; (c) the filing or enforcement of a mechanic's lien; or (d) any matter which is within the jurisdiction of a probate court. The filing of a judicial action to enforce the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the right to mediate under this provision, nor shall it constitute a breach of the duty to mediate.




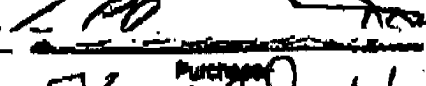
25. **DISCLAIMER:** IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT NEITHER THE LISTING NOR SELLING BROKERS, IN THEIR CAPACITIES AS BROKERS, MAKE ANY WARRANTY AS TO THE FITNESS OR MERCHANTABILITY FOR A PARTICULAR PURPOSE AS SAME APPLIES TO THE SUBJECT PROPERTY WITH IMPROVEMENTS THEREON AND ANY IMPLIED WARRANTY RELATING THERETO IS HEREBY EXPRESSLY DISCLAIMED BY LISTING AND SELLING BROKERS. IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT BROKERS AND/OR AGENT(S) MAKE NO WARRANTY AS TO THE TITLE OF THE SUBJECT PROPERTY, THE CONDITION OF THE HOUSE OR ANY IMPROVEMENTS SITUATE UPON THE PROPERTY INCLUDING BUT NOT LIMITED TO TERMITE DAMAGE, FURNACE AND/OR AIR CONDITIONING UNITS, NOR THE ACCURACY OR COMPLETENESS OF INSPECTION OR CERTIFICATIONS PERFORMED BY OTHER COMPANIES, OR MATTERS WHICH WOULD BE REFLECTED IN A CURRENT SURVEY OF THE SUBJECT PROPERTY AND MAKES NO WARRANTY AS TO THE ACCURACY OF PUBLISHED SQUARE FOOTAGE.

26. **SPECIAL STIPULATIONS:** These stipulations shall govern printed matter herein:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

27. **LEGALLY BINDING CONTRACT:** This is a legally binding contract, if not understood, seek further advice. Signature signifies acceptance of all terms and conditions stated on each page.

28. **BUSINESS DAYS:** Business days for the purpose of this Agreement shall be Monday through Friday.

Signed, Sealed and Delivered in the Presence of:

 Witness to Purchaser	<u>9/5/2001</u> Date & Time	 Purchaser	<u>247-688-230</u> S.S. #
 Witness to Seller	<u>8/7/2001</u> Date & Time	 Seller	<u>251-789-218</u> S.S. #
_____ Witness to Seller	_____ Date & Time	_____ Seller	_____ S.S. #

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